

City of Colorado Springs 2018 Budget in Brief

A Citizen's Guide to the Budget



City Leadership

In 2015, the citizens of the City of Colorado Springs voted for its second strong mayor, John Suthers, in the Council–Mayor form of government.

Mayor’s Office

John Suthers, Mayor

Jeff Greene, Chief of Staff/Chief Administrative Officer

Bret Waters, Deputy Chief of Staff



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City Council



Colorado Springs City Council

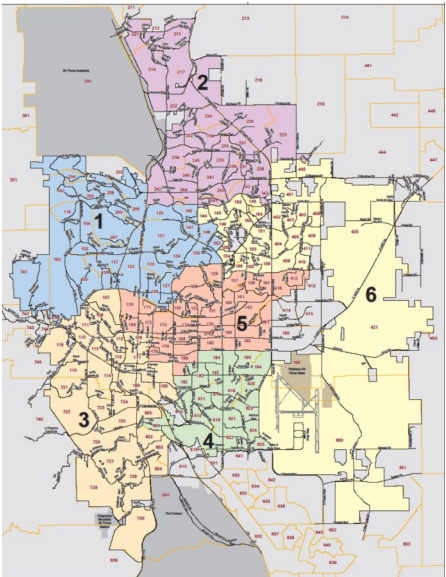
Front Row (from left to right):

- Council Member Bill Murray, At-Large
- Council President Pro-Tem Jill Gaebler, District 5
- Council Member Yolanda Avila, District 4
- Council Dog Puma, Non-voting member
- Council Member Merv Bennett, At-Large

Back Row (from left to right):

- Council Member Tom Strand, At-Large
- Council Member David Geislinger, District 2
- Council President Richard Skorman, District 3
- Council Member Don Knight, District 1
- Council Member Andy Pico, District 6

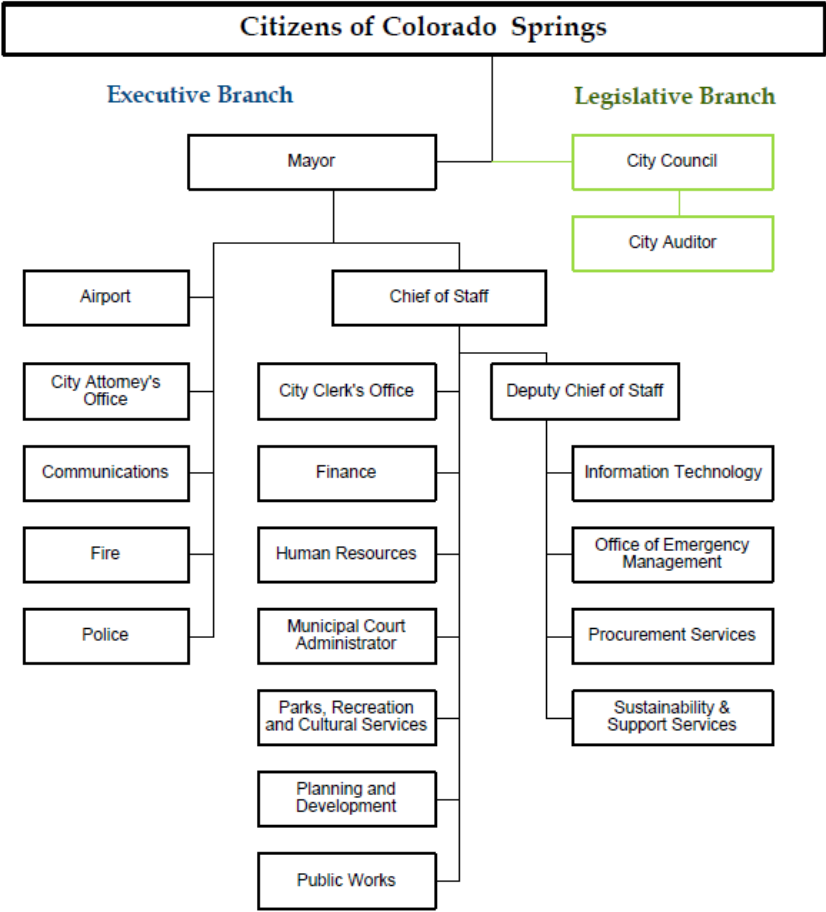
Council District Map



City Council's Direct Reports

- Denny Nester, City Auditor
- Jerry Forte, Utilities Chief Executive Officer
- Eileen Gonzalez, City Council Administrator

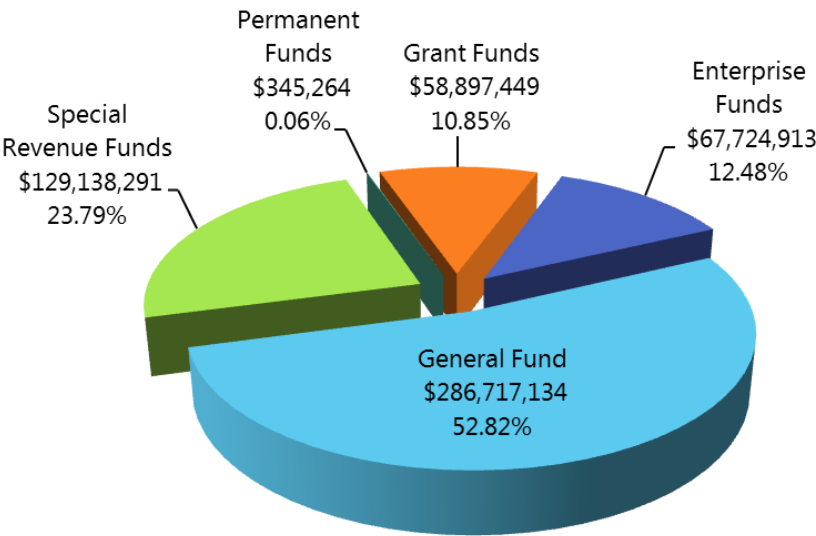
City Organizational Chart



Organizational structure as of August 31, 2017

All Funds Summary

\$542,823,051



Internal Service Funds total \$43,874,736 allocated to the General Fund and the Enterprise Funds.

The General Fund is only one piece of the City’s total budget. The General Fund supports traditional services:

- Fire
- Police
- Parks, Recreation and Cultural Services
- Planning & Community Development
- Public Works

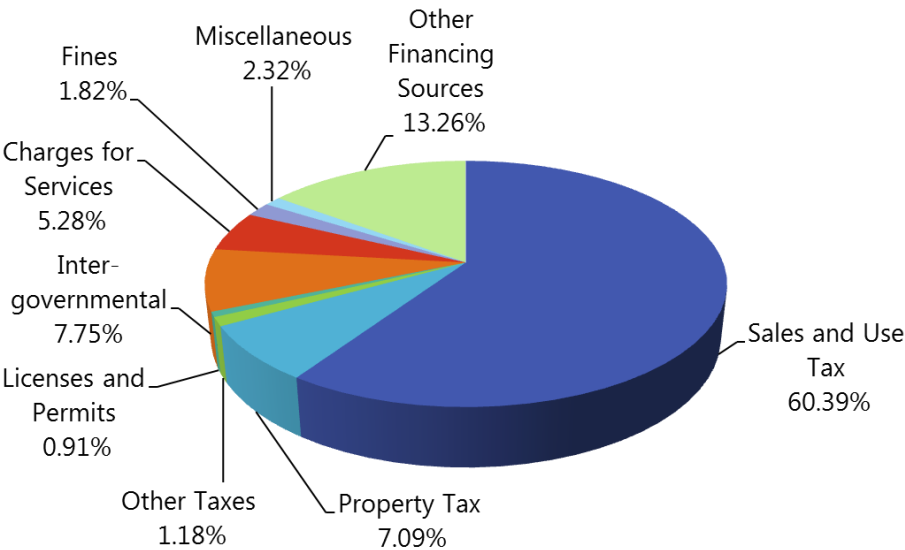
The City also owns and operates self-supporting enterprise activities that include:

- Airport
- Cemeteries (Fairview and Evergreen)
- Development Review Enterprise
- Parking System (downtown and Old Colorado City)
- Golf Courses (Patty Jewett and Valley Hi)
- Memorial Health System
- Pikes Peak - America’s Mountain
- Stormwater Enterprise

General Fund Revenue

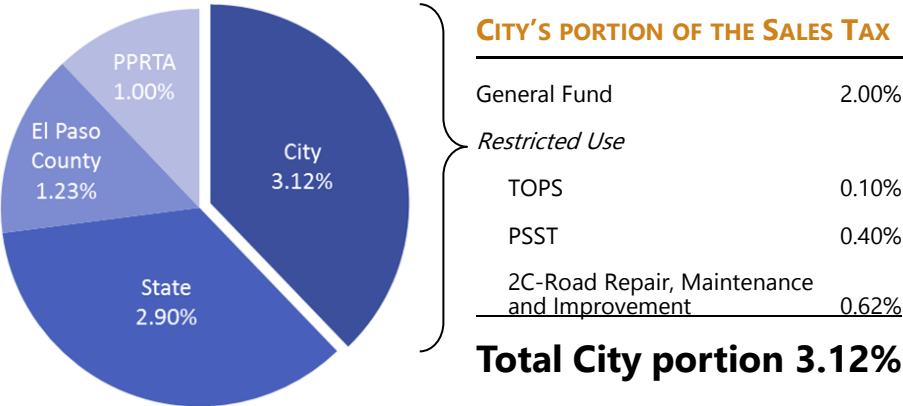
\$288,942,074

Revenue Source	2016 Actual	2017 Budget	2017 EOY Estimate	2018 Budget
Sales and Use Tax	\$156,715,725	\$162,285,368	\$168,665,368	\$174,480,000
Property Tax	20,038,530	20,020,059	20,020,059	20,475,000
Other Taxes	3,238,227	3,197,050	3,556,050	3,409,700
Charges for Services	14,620,429	14,336,766	15,171,260	15,248,954
Fines	4,394,083	5,051,801	3,315,445	5,249,505
Intergovernmental	21,482,818	22,072,272	22,055,837	22,405,428
Licenses and Permits	2,281,265	1,825,876	2,687,903	2,630,115
Miscellaneous	3,920,548	3,316,324	3,316,324	6,716,934
Other Financing Sources	54,311,309	40,519,893	38,319,893	38,326,438
Total	\$281,002,934	\$272,625,409	\$277,108,139	\$288,942,074



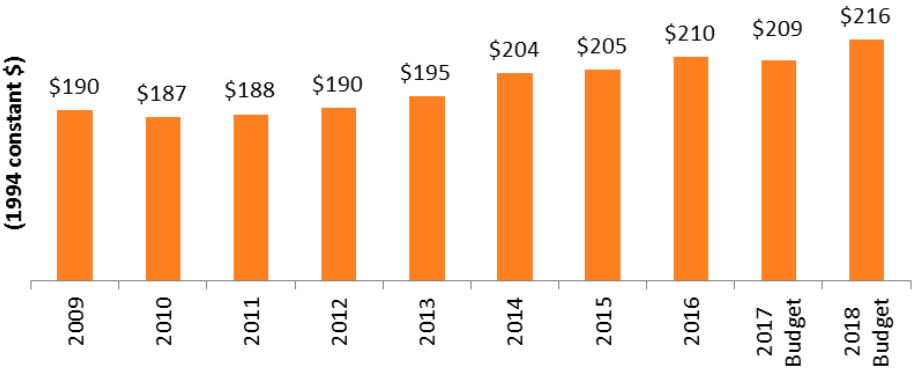
Sales & Use Tax Revenue

The Total Sales Tax Rate is **8.25%**



60.4% The percentage of total City General Fund revenue received from Sales Tax

Inflation Adjusted Sales Tax Revenue per Capita



Sales & Use Tax Revenue

Public Safety Sales Tax (PSST)

The Public Safety Sales Tax (PSST) requires General Fund Public Safety budget allocations, including the Police and Fire Departments, the Office of Emergency Management, as well as the Police and Fire functions of Fleet, IT and Radio be at least 47.65% of General Fund; in 2018 it is 56.48%. The 2018 Budget exceeds the Level of Effort requirement by 8.83%, or \$25 million.

PSST Budget	2016 Actual	2017 Budget	2018 Budget
Total Expenditures	\$31,151,680	\$32,498,192	\$38,978,219
Total FTE Positions	230.50	233.50	236.50

Trails, Open Space and Parks (TOPS)

The Trails, Open Space, and Parks (TOPS) revenue is generated from a 0.1% Sales and Use Tax adopted by voters in April 1997, extended by voters in 2003, and set to expire in 2025. The majority of funds are designated for open space purchases and associated maintenance, development and maintenance of trails, and development of new parks. The budget is based on planned projects and scheduled payments, which can vary from year to year.

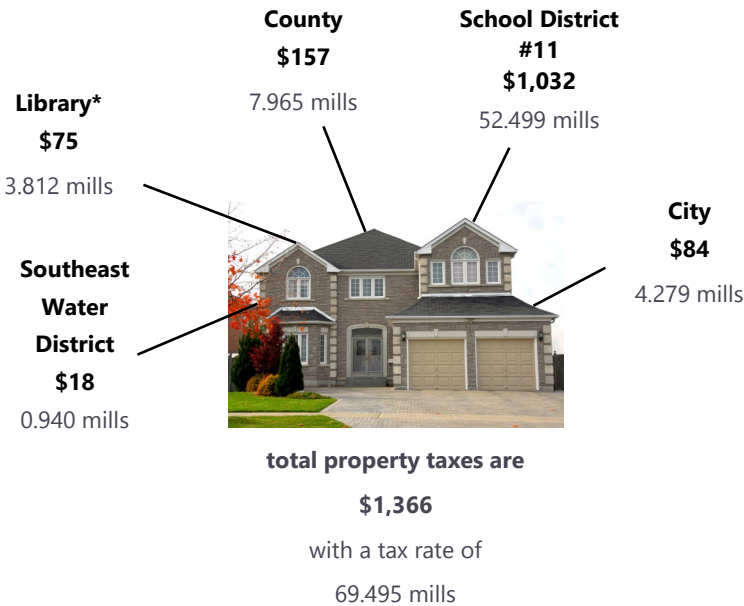
TOPS Budget	2016 Actual	2017 Budget	2018 Budget
Total Expenditures	\$7,388,665	\$6,164,971	\$7,572,972
Total FTE Positions	9.50	9.50	10.00

2C Road Repair and Maintenance

Ballot item 2C was passed by voters in the Colorado Springs November 3, 2015 Special Municipal Election. The road improvement tax provides an estimated \$50 million per year, starting in 2016, to pave approximately 1,000 lane miles over 5 years. All road improvements are completed using vendor contracts.

Calculating Your Annual Property Tax

<i>market value</i>	x	<i>assessment ratio</i>	=	<i>assessed value</i>	x	<i>total mill levy</i>	=	<i>taxes</i>
\$272,900	x	7.20%	=	\$19,649	x	0.0695	=	\$1,366



**Temporary Tax Rate Reduction*

Note: This example is for taxes payable in 2018 and assumes a home with market value of \$272,900 in School District #11 and assumes no Special District mill levy. Other school districts have different mill levies.

6%

The percentage of your property tax bill that is designated for the City

Property Tax Revenue

\$20,475,000

The amount of property tax revenue
the City expects to receive in 2018



“How is my property tax determined?”

Taxing authorities, such as Cities, Counties, School Districts and Special Districts set tax rates and levy the tax on property.

“What is property tax?”

As defined by Merriam-Webster.com, property tax is a tax levied on real or personal property.

For residents, the levy is applied to real property, which is your house.

Personal property taxes are primarily applied to commercial properties.

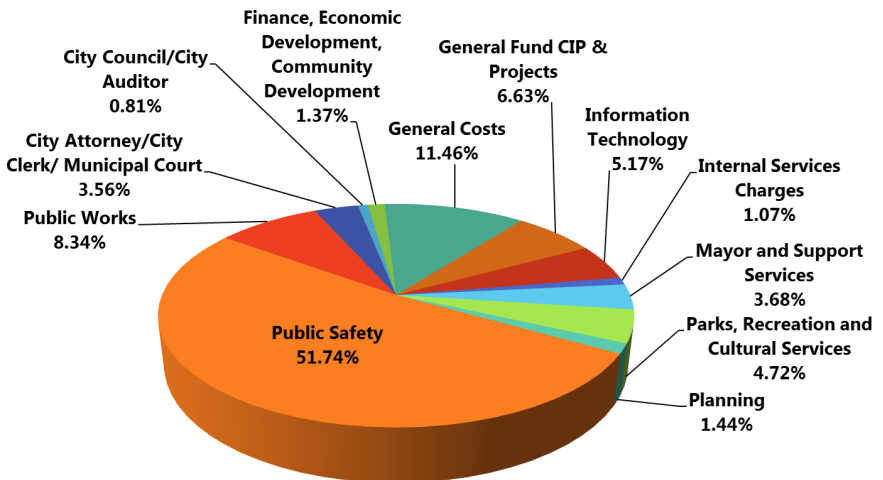
“What does my property tax money fund?”

Property tax revenue supports public schools, county governments, municipal governments, libraries and special districts. All of the revenue generated by property taxes stays within your county.

General Fund Expenditures

\$286,717,134

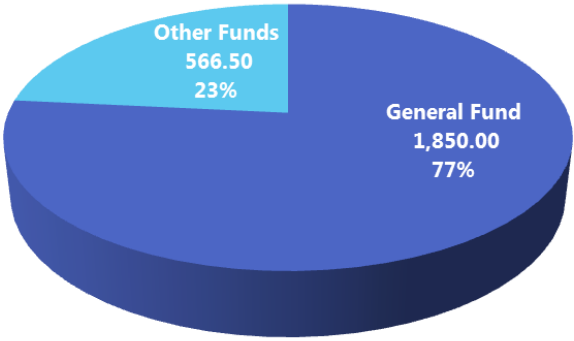
Department/Division	2018 Budget
City Attorney/City Clerk/ Municipal Court	\$10,214,740
City Council/City Auditor	2,332,976
Finance, Economic Development, Community Development	3,934,379
General Costs	32,846,316
General Fund CIP & Projects	19,022,362
Information Technology	14,827,269
Internal Services Charges	3,055,240
Mayor and Support Services	10,541,717
Parks, Recreation and Cultural Services	13,540,253
Planning	4,136,566
Public Safety	148,345,892
Public Works	23,919,424
Total	\$286,717,134



Total Employees

2,416.50 FTE

The General Fund accounts for the largest number of City employees. Of the 1,850 General Fund employees, approximately 67% are Public Safety employees.



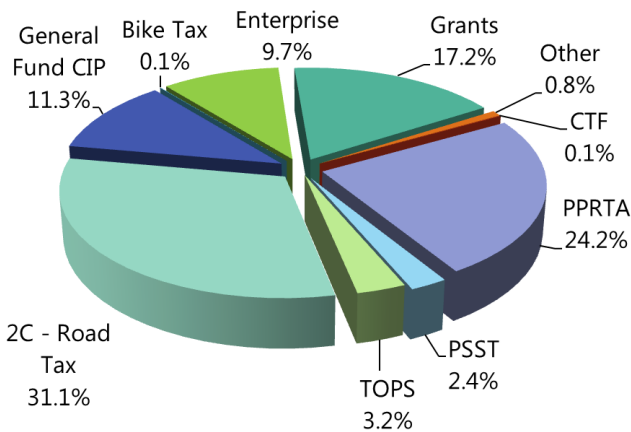
Fund	2017 Budget	2018 Budget
General Fund	1,797.25	1,850.00
Internal Services Funds	30.75	30.75
Enterprise Funds	155.50	156.50
Public Safety Sales Tax Fund	233.50	236.50
Cable Franchise Grant	6.00	0.00
Conservation Trust (Lottery) Fund	41.50	41.50
SIMD Funds	11.00	10.75
Trails, Open Space and Parks Fund	9.50	10.00
Grant Funds	61.50	80.50
All Funds Total	2,346.50	2,416.50

Capital Improvements Program

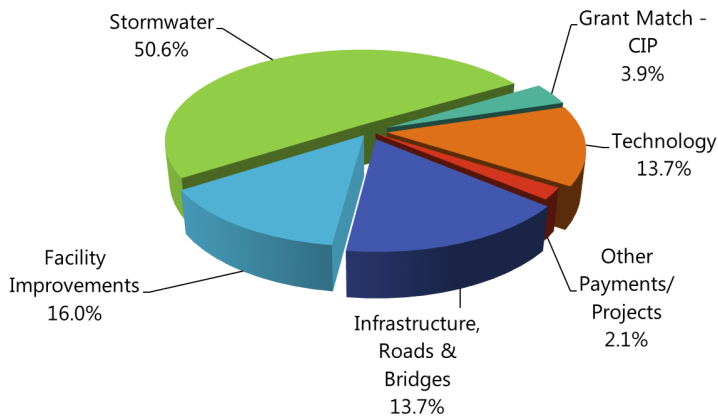
The 2018 CIP Budget is primarily funded by restricted funds (approximately 89%), and funds the construction of a number of major capital improvements throughout the City, including various transportation improvements, facility improvements, park projects and IT infrastructure.

The City has a five-year All Funds CIP Plan for \$577.6 million in high priority projects. The five-year plan includes projects such as building renovations, road and bridge replacements, multiple stormwater system improvements, and park system maintenance.

2018 All Funds Capital Improvement Program - \$160,855,184



2018 General Fund CIP - \$18,149,623



Stormwater Enterprise

On November 7, 2017, voters approved ballot measure 2A that permits the City of Colorado Springs to collect a monthly stormwater fee beginning July 1, 2018, in order to fund critical projects. The City's **Stormwater Enterprise** will collect the fee and manage stormwater projects at that time. Until July 1, 2018, stormwater projects will fall under the purview of the General Fund in the Water Resources Engineering division.



Ultimately, the purpose of the Stormwater Enterprise is to maintain clean waterways. Because the majority of stormwater (precipitation or snow melt) eventually makes its way into our waterways and to downstream communities, managing our water resources at the source with a comprehensive approach, including the planning and management of constructed facilities, community education, and adopt-a-waterway program, is key to maintaining clean waterways for our community and our downstream neighbors.

In 2016, the City of Colorado Springs negotiated an Intergovernmental Agreement (IGA) with Pueblo County in order to resolve a dispute regarding Colorado Springs Utilities' 1041 Permit for the Southern Delivery System and the City's funding of its stormwater control program. On April 20, 2016, City Council passed Resolution No. 36-16 approving the IGA, which commits to fund \$460 million from 2016 to 2035.



Colorado Springs at a Glance

FORM OF GOVERNMENT

Council-Mayor:

Nine-member Council (three Council members elected at-large, and six elected by district) and a popularly elected Mayor as the City's chief executive.

DEMOGRAPHIC

Population: 475,936 (2018 est.)

College Population¹: 40,936 (2016)

Median Age²: 34.2

Median Household Income¹: \$54,228 (2017)

Unemployment Rate³: 3.5% (Dec 2017)

Ethnicity²:

- White (78.8%)
- Hispanic American/Latino (16.1%)
- Black/African American (6.3%)
- American Indian/Alaska Native (1.0%)
- Asian (3.0%)
- Native Hawaiian/Pacific Islander (0.3%)
- Other (5.5%)
- Two or more races (5.1%)

Average # of Days of Sunshine¹: 300

Average Annual Precipitation⁴: 16.38 inches

Serious Crimes per Thousand Population:

4.95 per 1,000 (Year 2016) compared to 2016 national average of 7.5 for cities with a population of 250,000-499,999; crimes include murder, sexual assault, robbery, aggravated assault, burglary, larceny, and auto theft

LAND USE

Area in Square Miles: 195 (2017)

Street Lane Miles: 5,688 (2017)

Parkland Acres⁵: 17,266 (2017)

Elevation: 6,035 feet

ECONOMICS

Sales Tax Rate:

City (3.12%); County (1.23%); State (2.9%)
Pikes Peak Rural Transport. Authority (1.0%)

City Property Tax Rate:

4.279 mills (2017 mill rate levied for taxes payable in 2018)

Median Sale Price of an Existing Home⁶:

\$272,900 (Aug. 2017)

Property Taxes Paid on a \$272,900 House in School District 11:

\$1,366 total, City share is \$84 (For taxes payable in 2018)

Major Industries¹:

- Aerospace / Defense / Homeland Security
- Customer Support / Financial Services / Back Office
- Data Storage, Software IT
- Healthcare
- Higher Education
- Manufacturing
- Medical Innovation & Technology
- National Nonprofits
- Sports & Sports Related Organizations

COMMUNITY

Major Attractions:

- Cave of the Winds
- Cheyenne Mountain Zoo
- Garden of the Gods
- Pikes Peak – America's Mountain
- Pro Rodeo Hall of Fame & American Cowboy Museum
- Sky Sox Minor League Baseball
- United States Air Force Academy
- United States Olympic Headquarters and Training Center

Sources:

1 Colorado Springs Regional Business Alliance Just the Facts (www.coloradospringsbusinessalliance.com)

2 American FactFinder (2010). Hispanics may be of any race, so also are included in applicable race categories

3 United States Department of Labor Bureau of Labor Statistics

5 Climate-Zone.com/climate-zone.com/united-states/Colorado/colorado-springs/

6 This includes the combined number of parks, open spaces, trails, cemeteries, golf courses, SIMDs, ROWs, and median acreage the City owns and/or manages.

7 Pikes Peak Association of REALTORS (www.ppar.com/statisticssummary)

BUDGET OFFICE

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Budget in Brief is produced each year by the City of Colorado Springs Budget Office. This booklet gives citizens a general overview of the City's 2018 Budget.

The entire City's Budget can be found at **ColoradoSprings.gov/budget**.

For specific questions or comments, please contact the Budget Office.